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S E C R E T SECTION 01 OF 03 LISBON 001812

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FOR THE SECRETARY FROM CHARGE D'AFFAIRES ADRIENNE O'NEAL

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TAGS: PREL PO

SUBJECT: SCENESETTER FOR YOUR VISIT TO PORTUGAL JULY 19-20

Classified By: Charge d'Affaires Adrienne O'Neal for reasons 1.4 (B) an d (D).

11. (SBU) Madam Secretary:

Your visit -- at the beginning of Portugal's EU presidency -is particularly timely and provides an excellent opportunity to try to shape from the outset the Portuguese government's priorities in a direction consistent with U.S. interests.

Portugal - Steadfast Ally

- ¶2. (SBU) Portugal, a founding member of NATO, is a steadfast ally who has consistently stood by our side over the years despite various changes in government. The President and Prime Minister -- from opposing political parties -- each regularly stress that trans-Atlantic relations are a pillar of Portuguese foreign policy and that NATO is the primary guarantor of European security.
- $\P3$. (SBU) Portugal has provided virtually free access to Portuguese air and seaports for military support operations in Iraq and Afghanistan, with over three thousand flights a year transiting Lajes Air Base in the Azores. Despite severe budgetary constraints, it is engaged internationally on numerous fronts with military personnel in Iraq, Afghanistan (where it lost one soldier), East Timor, Kosovo, Bosnia, and Lebanon, and it is a member of the Proliferation Security Initiative, the Container Security Initiative, and the Global Initiative to Combat Nuclear Terrorism.
- EU presidency priorities
- ¶4. (C) While agreement on a treaty for EU reform vice a Constitution was achieved during the German presidency, detailed negotiation and signature of the treaty will fall to the Portuguese presidency. This internal EU task will not derail Portugal, s external policy goals, but it will absorb scarce resources and high-level attention within the Portuguese government, ensuring that we will need to motivate Portugal on key issues.
- 15. (U) Foreign Minister Amado has noted that the EU,s biggest foreign policy concern is along its southern and southeastern borders, which are threatened by radical Islam and poverty. He has proposed strengthening the EU,s ties to Washington, Moscow, and Mediterranean countries to help contain radical Islam in that region; this strategy includes supporting Turkish accession to the EU, involving the EU more closely in the Middle East Peace Process, and strengthening the EU,s economic and cultural ties to the region through the Barcelona Process.
- 16. (C) The Portuguese are expected to take a facilitative approach, in stark contrast with the aggressive leadership of

Germany,s presidency. They will seek broad consensus on most issues, dedicating their individual efforts to the few issues they care about: a strategic partnership with Africa and the Middle East processes noted above. Beyond those issues, the Portuguese governmental structure is occupied with a series of summits with Brazil, India, China, Russia, Ukraine, and Africa.

17. (C) The just completed EU-Brazil Summit was successful in establishing a long-term relationship with a significant partner and energizing the debate in Europe on biofuels. Portuguese interlocutors candidly told us that they did not expect much and that the summit was only the first step toward an EU-Brazil strategic partnership, but that they were delighted with the outcome. We believe this may raise Portuguese ambitions for the other summits.

Suggested areas of focus

- 18. (C) Kosovo: The Portuguese support the Ahtisaari proposal but have no alternative to having the Russians on board. They have seized on the idea of delaying the introduction of a UN Resolution while further talks continue and have no plans on how to react if the Kosovars declare independence unilaterally. A/S Fried,s July 9 appeal to the Kosovars not to do so pleased the Portuguese, but they need to understand that leaving Kosovo in limbo is not an option and that the Kosovars' patience -- even with US pressure -- is finite.
- 19. (C) Russia: Prime Minister Socrates visited Moscow recently and was criticized in many quarters for his failure to address aggressive behavior against allies Poland and Estonia, human rights issues, or Moscow,s penchant for

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rhetoric and gamesmanship on energy and security. Indeed, Socrates, advisors suggested to us following the trip that we needed to tone down our own rhetoric in order to make various negotiations more fruitful.

- 110. (C) Middle East: The Portuguese believe they have little historical baggage in the region and thus can advance progress on key issues. They have stressed many times and at the highest levels that the Road Map is the way forward, but that it needs to be reinvigorated. Foreign Minister Amado backed away from the recent Mediterranean FMs, letter to Quartet Representative Tony Blair -- which he signed -stating that &the Road Map has failed, 8 and a senior advisor was dismissive of the letter, s text, saying neither the EU nor the Portuguese position has changed. Amado has traveled extensively to the Middle East and was one of the first to call for a special session of EU Foreign Ministers at the onset of last summer, s hostilities in Lebanon. Portugal was prepared to commit forces to any potential peacekeeping force, even before the structure and sponsorship of such a force had been established. Portugal eventually sent a company of Army engineers to help with reconstruction. Amado told us that he sees Iran as the greatest threat since WWII, and his ministry has been supportive of tough measures in light of Iran's refusal to halt nuclear enrichment.
- 111. (C) Afghanistan: Portuguese Special Forces and other troops serve without caveat and are engaged in heavy fighting. The current company is scheduled to depart in February 2008 and replacements have not yet been designated or funded. The Portuguese stress that they are with us in Afghanistan for the duration of NATO operations, so congratulations for their current contributions are in order as well as encouragement to continue. Portugal has contributed \$2 million in assistance; however, they are financially over-stretched and have not done more because of that.
- 112. (C) Iraq: Portugal contributed gendarme trainers for the NTM-I police training mission. Portugal recently downsized

its diplomatic presence in Baghdad because of cost (its operations were four times as expensive as any other embassy), but let us know far in advance and wanted to coordinate what they said publicly as they were sensitive to the political ramifications.

113. (C) Africa: Portugal has a special relationship with Africa, particularly with its former colonies. It intends to host an EU-Africa Summit, although it has deferred diplomatic conflict over the Zimbabwe question, even though the UK, the Netherlands, and others may not attend at the head of government level should Mugabe attend. Although the Portuguese have led the development of an action plan between the EU and African Union, the negative ramifications of Mugabe's presence in Lisbon could overshadow any accomplishments.

Particular Bilateral Points

- 114. (SBU) Portugal,s interest in Africa for the EU presidency is a good opportunity to underscore the progress in US-Portugal cooperation to strengthen security and stability in Africa. When Foreign Minister Amado was still Defense Minister, he strongly encouraged trilateral cooperation between the US, Portugal, and individual African countries on security issues in Africa. Since that time, we have conducted joint demining training in Guinea-Bissau and begun developing an HIV prevention program among African armed forces. We hope to include the Portuguese in peacekeeping training in Mozambique and Angola under the African Contingency Operations training and Assistance (ACOTA) program and a joint State-Defense team from Washington hopes to visit Lisbon this fall to discuss further opportunities.
- 115. (S/NF) Amado agreed to allow the repatriation of prisoners through Lajes Air Base on a case-by-case basis under limited circumstances. This was a difficult decision, given the sustained criticism by Portuguese media and leftist elements of his own party of the government,s handling of the CIA rendition flights controversy. Amado,s agreement has never been made public. The Attorney General,s Office was forced to review a dossier of news clippings and unsubstantiated allegations regarding CIA rendition operations through Portugal provided by a member of the European Parliament. The AG,s report should be released in the very near future. Although we cannot predict its conclusions, government insiders and legal scholars have told us there was no useful or prosecutable information in the dossier.

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Prime Minister Socrates

116. (C) Socrates is a telegenic and charismatic leader, who worked hard to improve his English in advance of the EU presidency. He relies on advice from a small circle of advisors. He is a very moderate Socialist who has been successful at co-opting or marginalizing the leftists in his party. He also aggressively pursued his domestic agenda before assuming the EU presidency, achieving difficult labor and social security reforms and reducing Portugal,s budget deficit to near EU-mandated levels.

Foreign Minister Amado

117. (C) You met with Amado last October in Washington and have spoken with him in person and on the telephone several times since. He has been a great friend of the US, both in his previous capacity as Minister of Defense and now as Foreign Minister. He is even-tempered, thoughtful, and low-key, and regularly seeks opportunities to coordinate

policy with the US. He places great importance on presenting a united public front, whether within the EU, NATO or with the US. If there are differences, he prefers to discuss them discreetly behind closed doors.

President Cavaco Silva

118. (C) Cavaco Silva is the most popular politician in Portugal, even though his center-right party badly trails Socrates, Socialist Party in polls. Although the Portuguese presidency does not wield the executive power of the US presidency, the position is not ceremonial. Cavaco Silva is commander in chief of the armed forces and must approve all military deployments and chairs the Council of State, which handles all constitutional issues. Cavaco Silva considers former President George H.W. Bush a personal friend, with whom he developed a close relationship during his years as Prime Minister from 1985-95. The elder President Bush attended Cavaco Silva, s presidential inauguration in March 12006. Cavaco Silva was displeased that he did not get an Oval Office meeting with President George W. Bush during his recent visit to Washington to open a Smithsonian exhibition of Portuguese art, and he declined the former President Bush,s offer to visit Kennebunkport.

Hoffman